

**California Department of Veterans Affairs  
Fiscal Year 2004-05 Governor's Budget  
Major Budget Adjustments\***

**Savings from elimination of positions:**

- 55 positions at Farm & Home Loan Program = streamlined operations and savings to the Cal-Vet fund.
- 56 positions throughout Department = \$1.5 million savings to General Fund (GF).
- VHC-Barstow skilled nursing facility (SNF) closure = \$2.7 million in full-year reduction to GF.

**Savings by redirecting general fund expenses:**

VHC-Yountville

- \$1.2 million savings (GF) with an offsetting equivalent increase in reimbursements by redirecting funds collected for “unreimbursed cost of care” from the Morale, Welfare, and Recreation Fund (MWR) to General Fund Reimbursements.
- \$0.2 million savings (GF) due to an offsetting equivalent increase in the Federal Trust Fund reflecting increased USDVA per diem collections associated with a cost of living adjustment (COLA).

VHC-Barstow

- \$50,000 savings (GF) with an offsetting equivalent increase in reimbursements by redirecting funds collected for “unreimbursed cost of care” from the Morale, Welfare, and Recreation Fund (MWR) to General Fund Reimbursements.
- \$ 72,000 savings (GF) due to an offsetting equivalent increase in the Federal Trust Fund reflecting increased USDVA per diem collections associated with a cost of living adjustment (COLA).

VHC-Chula Vista

- \$0.1 million savings (GF) with an offsetting equivalent increase in reimbursements by redirecting funds collected for “unreimbursed cost of care” from the MWR to General Fund Reimbursements.
- \$0.1 million savings (GF) due to an offsetting equivalent increase in the Federal Trust Fund reflecting increased USDVA per diem collections associated with a COLA.

**Savings from outsourcing and contract or program reduction:**

- \$0.2 million savings (GF) associated with the decrease or elimination of certain support services contracts at VHC-Chula Vista.
- \$0.6 million savings (GF) by outsourcing food services and security related services at VHC-Yountville.
- \$0.5 million savings (GF) by closing the underutilized Alcohol Dependency Treatment Program at VHC-Yountville.

**Organizational streamlining:**

- Redirect appropriate administrative positions from three veteran's homes to headquarters.
- Redirect appropriate health professional positions to headquarters Deputy Secretary for Veterans Homes staff establishing a statewide quality assurance team and operational oversight.

**Overall savings to General Fund: \$7.3 million**

\* Compared to Budget Act of 2003